Enterprise Project Management Office Overview

IT Oversight Committee

November 12, 2009

Presentation by Kathy Bromead, Director, EPMO

Office of Information Technology Services

NORTH CAROLINA
A better place to be
www.nc.gov

Improving the Management of IT

➢ Senate Bill 991 adopted in 2004 to improve planning, budgeting and management of IT.

  ➢ State CIO given authority to approve and monitor IT projects

➢ Why the need for better IT project management?

  ➢ Failing, high-profile projects and costly overruns

  ➢ Unclear accountability

  ➢ Little authority over IT projects by State Chief Information Officer (CIO)

Creation of the EPMO

➢ The Enterprise Project Management Office (EPMO) created in 2004 to assist the State CIO in improving the management of IT projects, as directed by the General Assembly.

➢ What was done?
  ➢ Established and staffed EPMO
  ➢ Defined and implemented state approval process
    ➢ Established a "gate" approval process
    ➢ Project approvers include agency leadership, Budget Office, State CIO
  ➢ Mentored and advised agency project managers in process and best practices
  ➢ Established advisory and task groups
  ➢ Provided professional development support for project managers
  ➢ Purchased and implemented Project Portfolio Management software
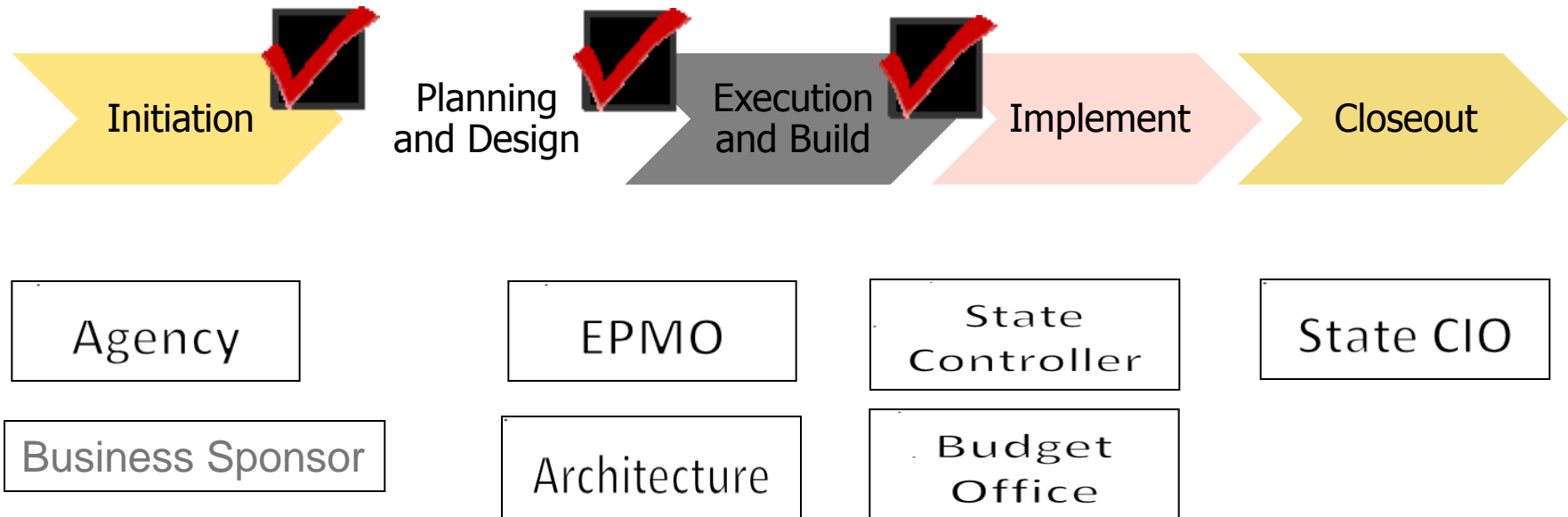 ➢ Biennial survey of agencies for continuous improvement

State Project Approval Process

Project workflow provides checkpoints to allow state approvers to review projects and determine any risks

Phase to Phase Approvals (Gates or Checkpoints)

Initiation → Planning and Design → Execution and Build → Implement → Closeout

Agency	EPMO	State Controller	State CIO
Business Sponsor	Architecture	Budget Office	

EPMO Staff

The Project Management Advisor Role

➢ Key interface to the agency project manager

➢ Monitors IT project progress

➢ Offers mentoring and advice

➢ Provides guidance and assistance in project approval process

➢ Recommends corrective action and, if necessary, escalates troubled projects to attention of State CIO
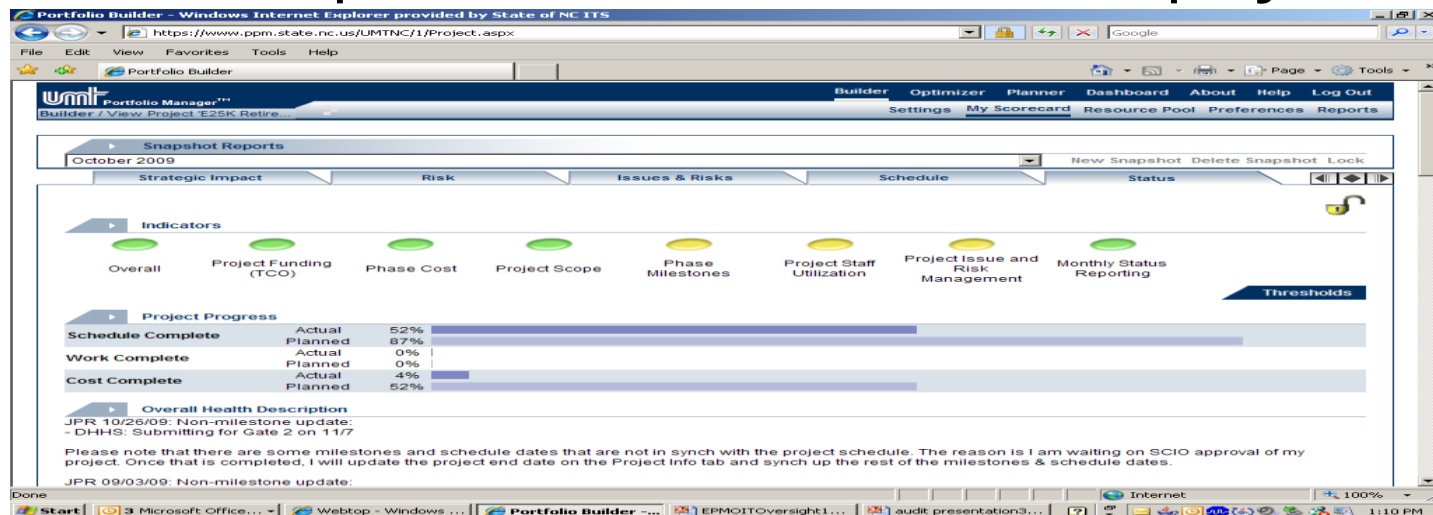
EPMO Staff

The Quality Assurance Role

➢ Evaluates monthly status on all IT projects > $500,000

  ➢ Overall IT project health – cost, schedule, scope, staffing, funding, overall (yellow, red or green)

  ➢ Provides quantitative assessment of IT projects

EPMO Staff

The Quality Assurance Role

➢ Identifies and communicates project issues to the agencies

➢ Identifies "high risk" or "troubled" IT projects

➢ Monitors agency corrective action plans

➢ Updates lessons learned database
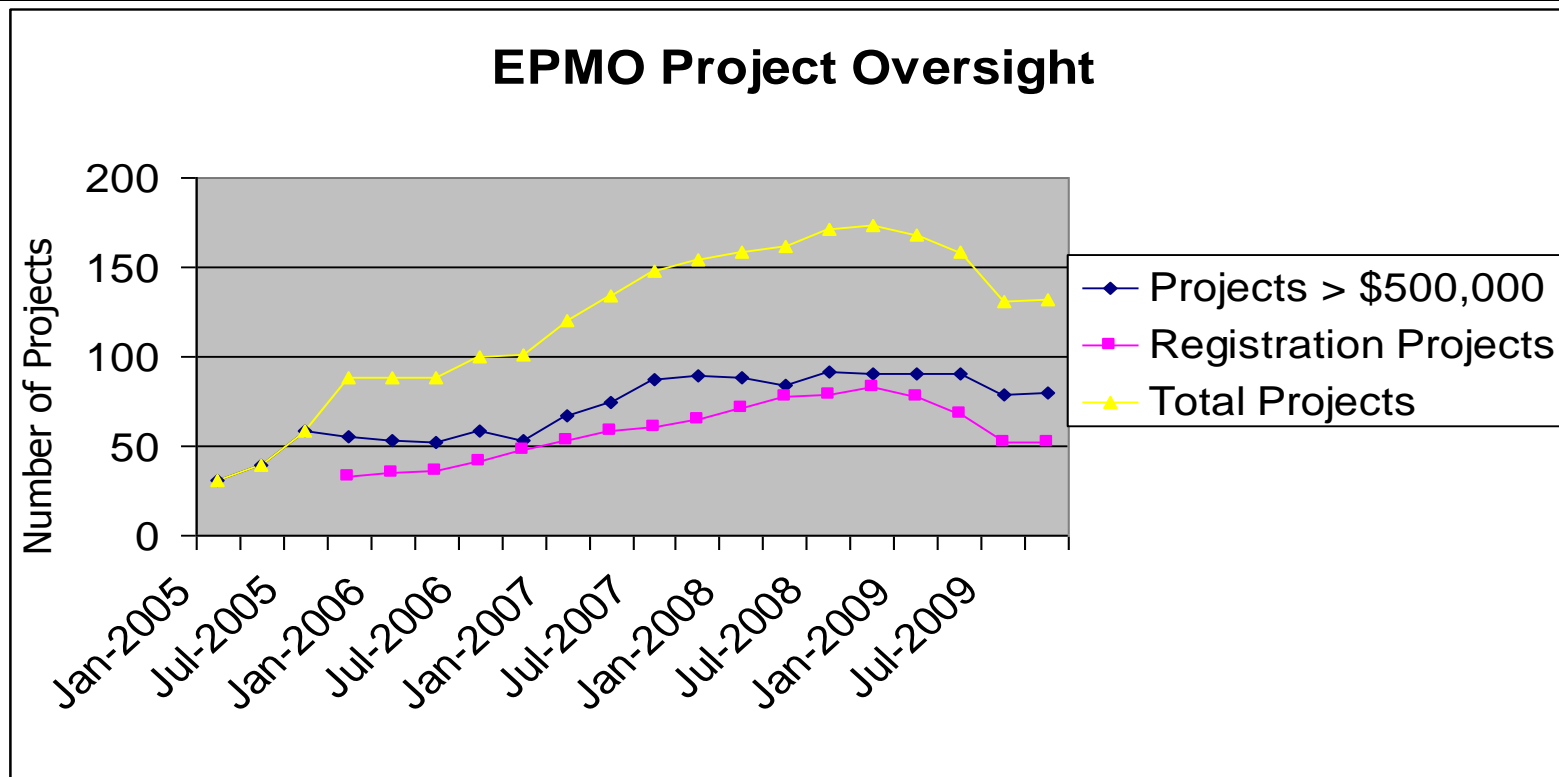
➢ Validates closeout documentation

The Portfolio Management Support Staff

➢ Provide agencies with a knowledge and understanding of portfolio and IT investment management

➢ Training and support for the use of the Portfolio Management software tool

➢ Support for business functions

- ➢ Portfolio Management – Project and Application
- ➢ IT Expansion Budget
- ➢ IT Business Plans
- ➢ IT Expenditure Report

➢ Develop and document best practice processes

EPMO Oversight of Projects

EPMO Project Oversight

Chart legend:
- Projects > $500,000
- Registration Projects
- Total Projects

Y-axis: Number of Projects (0 to 200)

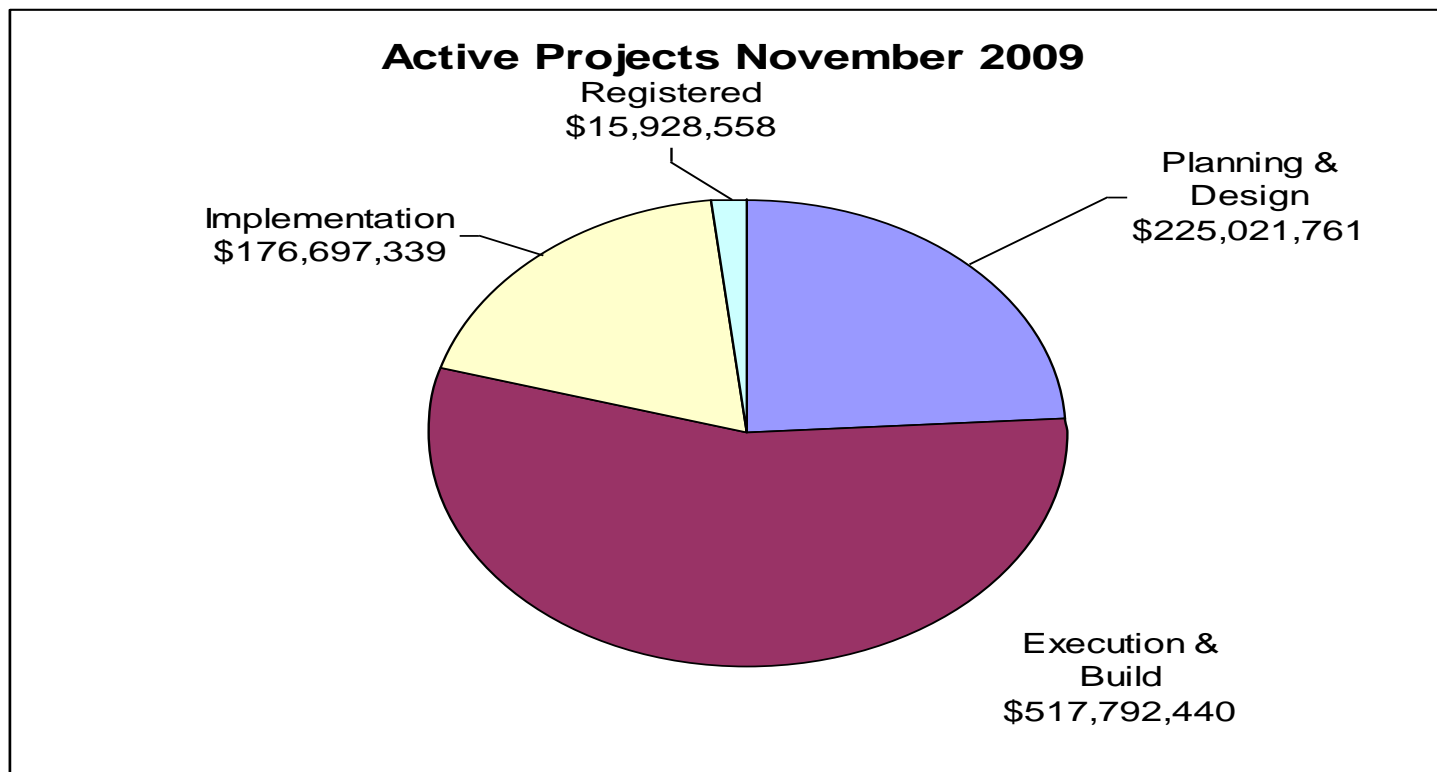X-axis: Jan-2005, Jul-2005, Jan-2006, Jul-2006, Jan-2007, Jul-2007, Jan-2008, Jul-2008, Jan-2009, Jul-2009

➢ 31 IT projects in 2005 with a high of 173 IT projects in fall of 2008

➢ Currently monitoring 135 IT projects

➢ 24 IT projects "on hold" and 26 IT projects in "initiation"

9

Project Financial View

Office of the State Chief Information Officer

Active Projects November 2009

- Registered $15,928,558
- Planning & Design $225,021,761
- Implementation $176,697,339
- Execution & Build $517,792,440

➢ 135 active projects with a 5-year Total Cost of Ownership of $935,440,097

➢ 26 IT projects in "initiation" with a 5 year TCO of $120,865,556

➢ 24 IT projects "on hold" with a 5 year TCO of $34,092,357

Project Financial View by Agency

Office of the State Chief Information Officer

Agency	Number of Projects	5 Year TCO
Department of Health and Human Services	15	$439,406,573
Department of Transportation	25	$138,473,780
Crime Control and Public Safety	6	$102,597,275
Department of Revenue	1	$80,080,071
Department of Public Instruction	19	$59,831,426
Office of Information Technology Services	15	$38,084,968
All Other Agencies	54	$76,966,004
	135	$935,440,097

Value of the State Project Approval Process

Ensure project completion or cancel IT projects before significant expenditures

➤ Between January 2004 and January 2009 20 IT projects were canceled with an expenditure of $662,247. If these IT projects had continued and failed the expenditure could have been > $29 million.

IT Projects > $500,000, Data from January 2004-January 2009

Active Projects	92
Projects in Closeout	17
Completed Projects	75
Completed Non Approved	9
On Hold	9
Cancelled	20

Cancelled IT Projects are 9% of the IT Project Portfolio

➤ During this time period, only 9% of the all state IT projects were cancelled as compared to the Standish Group report that 24% of all IT projects failed in 2008.*

*PM Network Magazine from November 2009 quotes from the Standish Group Chaos Summary 2009 document released in April 2009.

Value of the State Project Approval Process

Additional value:

➢ Optimization of technology investments by prioritization of IT projects
➢ Increased visibility of projects with approvals by State CIO, Budget Office and others
➢ Proactive monitoring of IT project progress, early warning signals of trouble
  ➢ Designed to get troubled projects "back on track" thru corrective action plans
➢ Consistency of project reporting and project data
➢ Improved state employee project management skills
  ➢ EPMO offers Project Management Professional (PMP) Certification Exam Preparation training with a 90% success rate
  ➢ Over 73 state employees are certified

➢ Can discuss specific projects, or go into more detail about approval and monitoring of projects, at future meeting

Questions

Kathy Bromead

754-6562
Kathy.bromead@its.nc.gov